



UNITED STATES GOVERNMENT PRINTING OFFICE
OFFICE OF THE INSPECTOR GENERAL

memorandum

DATE: March 31, 2003

REPLY TO

ATTN OF: Joseph Verch, Supervisory Auditor

SUBJECT: Audit Report on Improving the Controls over the Processing of Customer Agencies' Credit Card Charges for Printing Procurements with Riders

To: Manager, Printing Procurement Department
Comptroller

During an on-site audit of the Denver Regional Printing and Procurement Office (RPPO) in June 2002, the Denver Manager asked the Office of Inspector General (OIG) auditors to determine whether the Government Printing Office's (GPO) Superintendent of Documents (SuDocs) and the Library of Congress were billed for copies on riders when customer agencies used Government credit cards to charge for the costs of printing procurements. The OIG auditors found that the Comptroller was not always processing or billing rider costs accurately to SuDocs and the Library of Congress. As a result, the OIG made five recommendations to the Comptroller to take corrective action, in which the Comptroller agreed and collected an additional \$6,176 from the riders.

In addition, the OIG auditors found that Printing Procurement Department (PPD) personnel were not always processing or billing credit card charges for printing procurements when customer agencies used Government credit cards. As a result, the OIG made 13 recommendations to the Manager, PPD, to take corrective action, in which the Manager agreed, and immediately collected an additional \$6,376.

The OIG identified two more recommendations to improve the internal controls over the processing of future credit card charges with riders. The Manager, PPD, and the Comptroller agreed to:

1. Review and update the proposed draft GPO Instruction 440.12 *Processing Printing and Binding Credit Card Payments* and take the

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necessary steps for the immediate approval and distribution of the Instruction; and

2. Consider transferring the responsibilities of recording credit card charges from the RPPOs to the Comptroller.

Joseph Verch, Supervisory Auditor, conducted this audit. The OIG appreciates the cooperation and courtesies extended during the audit by the officials and staff of the PPD, the Office of the Comptroller, Production's Estimating & Jacket Preparation Section, and the Office of Budget's Rates and Investigations Branch.

MARC A. NICHOLS
INSPECTOR GENERAL

By: _____
Joseph J. Verch Jr., Supervisory Auditor

**REPORT ON IMPROVING THE CONTROLS OVER THE PROCESSING OF
CUSTOMER AGENCIES' CREDIT CARD CHARGES FOR PRINTING
PROCUREMENTS WITH RIDERS**

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**U.S. Government Printing Office
Office of the Inspector General
Office of Audits**

**REPORT ON IMPROVING THE CONTROLS OVER THE PROCESSING OF
CUSTOMER AGENCIES' CREDIT CARD CHARGES FOR PRINTING
PROCUREMENTS WITH RIDERS**

RESULTS IN BRIEF

During an on-site audit of the Denver Regional Printing Procurement Office (RPPO) in June 2002, the Denver Manager asked Office of Inspector General auditors to determine whether the Government Printing Office's (GPO) Superintendent of Documents (SuDocs) and the Library of Congress were billed for riders when customer agencies used the Government credit cards to charge for printing procurements.

In 1994, the Treasury Department granted the GPO permission to accept credit card payments from other Government agencies on a pilot basis for one year. After the success of the one-year pilot period, Treasury authorized GPO to continue accepting credit cards for payment of printing and binding services. Government agencies could use the credit card for individual printing and binding jobs costing \$25,000 or less. The Printing Procurement Department (PPD) is responsible for obtaining and providing to the Comptroller accurate and valid credit card information and ensuring that orders charged to credit cards are properly identified.

This report conveys the results of our performance audit on the controls over the processing of customer agencies' credit card charges for printing procurements with riders by the GPO's PPD Central Office and RPPO personnel. The OIG conducted the performance audit from July 31st through October 2002, and found that GPO personnel were not always processing or billing rider costs accurately when using the customer agencies' credit cards. From a review of the 61 riders that were annotated in the Procurement Information and Control System and awarded in October 1, 2001, through August 31, 2002, the results showed that opportunities did exist for GPO personnel to improve the controls over the processing and billing of credit card charges with riders. The OIG identified the following five internal control weaknesses:

- PPD personnel from Central Office and 6 RPPOs (Boston, Chicago, Denver, New York, Rapid Response Center [RRC], and San Francisco) miscalculated the charges on the customer agencies' credit cards on 18 of 61 procurements or 30 percent by a total of \$10,169;
- The processing of the 33 of 61 credit card charges or 54 percent were not processed

timely by procurement personnel from Central Office and 7 RPPOs (Atlanta, Boston, Chicago, Columbus, Denver, New York, and San Francisco) and ranged from 6 – 182 calendar days, with an overall average of 35 calendar days;

- The Atlanta RPPO personnel accepted a customer agency's credit card for a printing and binding procurement that exceeded the \$25,000 limit;
- Procurement personnel from four RPPOs (Chicago, Denver, Los Angeles, and New York) entered inaccurate procurement data on riders in PICS on five procurements;
- The Comptroller's Procurement Accounting Division miscalculated the billings of: (1) 22 of 53 riders or 42 percent to the SuDocs Depository Library, by a total of \$5,036; and (2) 18 of 51 riders or 35 percent to the Library of Congress, by a total of \$201.

To improve the internal controls over the processing of future credit card charges with riders, the Manager, PPD, and the Comptroller should:

- Review and update the proposed draft GPO Instruction 440.12 *Processing Printing and Binding Credit Card Payments* and take the necessary steps for the immediate approval and distribution of the Instruction; and
- Consider transferring the responsibilities of recording credit card charges from the RPPOs to the Comptroller.

The Comptroller took corrective action on the high-dollar billings to collect \$6,176. On the low-dollar billings, the amounts were not material enough to warrant the expense of changing the billed amounts. (See Appendix V.)

PPD personnel immediately collected \$6,376 for a contract modification that was never processed. In a discussion with a PPD Printing Specialist on 03/12/03, the amounts from the other billings were not material enough to warrant the expense of correcting the charges.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of this audit were to determine if GPO personnel accurately: (1) processed riders on customer agencies' printing procurements when credit cards were used; and (2) billed SuDocs and the Library of Congress for riders.

Audit fieldwork was conducted during the period of July 31st through October 2002 in accordance with generally accepted Government auditing standards. We limited the scope of this audit to all one-time bids and quotations that were paid with a credit card by the customer agency and had a "Y" reported in the Riders' column in PPD's Procurement Information and Control System (PICS) for the period of October 1, 2001,

through August 31, 2002.

To meet the audit objectives, the OIG:

- Interviewed PPD's Central Office and RPPO personnel and Production's Estimating & Jacket Preparation Section on the processing of customer agencies' credit cards for printing procurements;
- Interviewed personnel from the Office of Comptroller on the processing of customer agencies' credit cards for printing procurements and the billing of copies on riders with customer agencies' printing procurements;
- Interviewed Budget's Rates and Investigations Branch personnel on GPO's surcharges;
- Obtained credit card information by jacket numbers from PICS;
- Compared how credit cards with riders were processed by personnel from Central Office, 9 RPPOs, and a Satellite Printing Procurement Office (SPPO);
- Reviewed the draft GPO Instruction 440.12 *Processing Printing and Binding Credit Card Payments*, dated December 2000, for proposed guidelines; and
- Reviewed GPO Instruction 825.18A *Internal Control Program* to identify policies, standards, and responsibilities for conducting internal control reviews of GPO programs.

FINDINGS AND RECOMMENDATIONS

1. MISCALCULATING CUSTOMER AGENCIES' CHARGES

FINDING

From October 1, 2001, through August 31, 2002, procurement personnel from Central Office, 9 Regional Printing Procurement Offices (RPPOs), and a Satellite Printing Procurement Office (SPPO) indicated in PICS that 61 one-time procurements were awarded that had riders. Riders are additional copies that are added to the customer agency's purchase order. The Library of Congress, SuDocs Depository Library, and SuDocs Sales Program are the main customers that use riders. The advantage of using riders instead of separate procurements is that all the make-ready costs are paid by the originating agency. So, only the direct costs to print and bind the rider copies are paid by the riding customers. The contractors determine the rider costs when the "added rate" is submitted with the quote/bid.

Before the originating agency can be charged on their credit card for printing and binding services, PPD personnel must determine the costs of the riders. The unwritten rule that PPD personnel follow is to subtract the costs of the riders from the total award

price to determine the actual costs to the originating customer agency. PPD personnel multiply the “added rate” to the total number of rider copies and subtract that amount from the award price. GPO’s surcharge of 7 percent and GPO’s base charge of \$7.50 per purchase order is added to the adjusted award price to arrive at the total costs of the procurement to be charged against the originating customer agency’s credit card. The riding customers are then charged for their share through the appropriate internal process.

An OIG review of the credit card purchases found that PPD personnel from Central Office and 6 RPPOs (Boston, Chicago, Denver, New York, Rapid Response Center [RRC], and San Francisco) miscalculated the charges on the customer agencies’ credit cards by a total of \$10,169 on 18 of 61 procurements or 30 percent, because: (1) 4 RPPOs did not subtract the rider costs totaling \$1,466 from the award price on 6 procurements; (2) 3 RPPOs miscalculated the credit card charges totaling \$93 on 4 procurements; (3) 3 RPPOs overcharged the \$7.50 base charge totaling \$16 on 3 procurements; (4) Denver did not always charge the customer agency for the contract modification or charge the 7 percent surcharge totaling \$6,667 on 2 contract modifications; (5) Central Office did not add the 7 percent surcharge totaling \$1,895 on 2 procurements; and (6) New York did not charge the customer agency for the 7 percent surcharge or the \$7.50 base totaling \$32 on 1 procurement, contrary to Standard 7 of GPO Instruction 825.18A *Internal Control Program* which states:

“Transactions should be promptly recorded, properly classified, and accounted for in order to prepare timely accounts and reliable financial and other reports.”

- 1. Rider Costs Not Subtracted From Total Award Price** – Procurement personnel from 4 RPPOs (Chicago, Denver, New York, and RRC) did not subtract the rider costs from the award price on 6 of 61 procurements or 10 percent, but instead charged the entire award price, including the rider costs to the customer agency’s credit card. As a result, the customer agencies were overcharged a total of \$1,466 on the 6 procurements:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|-----|----------|--------|--------------|-------------|-----------------------|---------------------|------------------------|
| No. | RPPO | Jacket | Agency Costs | Rider Costs | Total Costs (#4 + #5) | RPPO Charged Agency | Over Charged (#7 - #4) |
| 1 | Chicago | 746310 | \$881 | \$643 | \$1,524 | \$1,524 | \$643 |
| 2 | Denver | 675930 | \$588 | \$214 | \$802 | \$802 | \$214 |
| 3 | Denver | 774534 | \$667 | \$13 | \$680 | \$680 | \$13 |
| 4 | Denver | 774774 | \$633 | \$17 | \$650 | \$650 | \$17 |
| 5 | New York | 612078 | \$324 | \$565 | \$889 | \$889 | \$565 |
| 6 | RRC | 720505 | \$1,792 | \$14 | \$1,806 | \$1,806 | \$14 |

| | | | | | | | | | |
|--|--------------|--|--|--|--|--|--|--|----------------|
| | Total | | | | | | | | \$1,466 |
|--|--------------|--|--|--|--|--|--|--|----------------|

A further review of the 6 procurements showed that when the unwritten rule was applied (the added rate of \$4.60 each multiplied to the total number of rider copies of 390), the total rider costs of \$1,794 exceeded the total award price of \$1,417 on Chicago's Jacket 746310. Thus, if the Chicago personnel had followed the unwritten formula, the customer agency would not have been charged for any of the printing and binding costs, because the rider costs exceeded the total award price by \$377 (\$1,794 - \$1,417). As a result, another formula needs to be developed for PPD personnel to follow when the total award price is exceeded by the total rider costs.

2. **Miscalculations Resulted in Overcharges** – Procurement personnel from RPPOs (Boston, Denver, and New York) miscalculated the credit card charges to customer agencies on 4 of 61 procurements or 7 percent that resulted in an overcharge of \$93: 3

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----|--------------|--------------------|-------------|-------------|---------------------|--------------------|------------------------|--------------|------------------------|
| No. | RPPO | Jacket /PO Date | Award Price | Rider Costs | Net Costs (#4 - #5) | 7% + \$7.50 Charge | Agency Costs (#6 + #7) | RPPO Charged | Over Charged (#9 - #8) |
| 1 | Boston | 700739 02/15/02 | \$10,714 | \$1,648 | \$9,066 | \$643 | \$9,709 | \$9,715 | \$6 |
| 2 | Boston | 701524 07/25/02 | \$1,590 | \$770 | \$820 | \$65 | \$885 | \$907 | \$22 |
| 3 | Denver | 675615 01/08/02 | \$3,909 | \$56 | \$3,853 | \$278 | \$4,131 | \$4,187 | \$56 |
| 4 | New York | 710255 10/26/01 | \$2,490 | \$784 | \$1,706 | \$128 | \$1,834 | \$1,843 | \$9 |
| | Total | | | | | | | | \$93 |

3. **\$7.50 Base Charge Was Charged Twice On Strapped Jackets** – Procurement personnel from 3 RPPOs (Boston, Denver, and San Francisco) overcharged the \$7.50 base charge to customer agencies on 3 printing procurements by \$16, because: (1) \$8 was incorrectly charged instead of \$7.50; and (2) the \$7.50 base charge was incorrectly charged twice on 2 strapped procurements, contrary to GPO Publication 435.20 *Scale of Prices and Production Time for Book and Job Printing and Binding* that states:

“The following surcharges shall be added to the audited invoiced amount (plus discounts and liquidated damages) of commercial purchases:

A \$7.50 base charge is applicable to all orders.”

The Chief, Rates and Investigations Branch of the Budget Office, defines orders as purchase orders and print orders. Since 2 or more strapped jackets are recorded on a single purchase order, then the \$7.50 base charge should be charged once.

RPPO personnel do not have any written PPD procedures on the charging of the \$7.50 base charge on strapped jackets:

| 1 | 2 | 3 | 4 | 5 | 6 |
|-----|---------------|-----------------|------------|----------------|---------------------------------|
| No. | RPPO | Jacket | GPO Charge | Correct Charge | Overcharged (Rounded) (#4 - #5) |
| 1 | Boston | 700392 | \$8 | \$7.50 | \$1 |
| 2 | Denver | 775254 + 775255 | \$15 | \$7.50 | \$7 |
| 3 | San Francisco | 785089 + 785090 | \$15 | \$7.50 | \$8 |
| | Total | | | | \$16 |

4. **Costs of Contract Modifications Not Always Charged** – Denver RPPO procurement personnel did not always charge the costs of the contract modification or always add the 7 percent surcharge to the costs of the contract modification price on the customer agencies’ credit cards on 2 of 3 contract modifications that were awarded with riders in Denver from October 1, 2001, through August 31, 2002, contrary to GPO Publication 435.20 which states:

“The following surcharges shall be added to the audited invoiced amount (plus discounts and liquidated damages) of commercial purchases:
 A \$7.50 base charge is applicable to all orders. Surcharge does not apply to this item. Work classified as printing and binding:
 Up to and including \$285,715.....7 percent”

As a result, Denver RPPO personnel undercharged the customer agencies by \$6,667:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|-----|--------------|---------|----------|-----------|---------------------|----------------------------|-------------|-------------------------|
| No. | Jacket | Mod No. | Mod Date | Mod Price | 7% Charge (#5 x 7%) | Total Mod Charge (#5 + #6) | GPO Charged | Under Charged (#7 - #8) |
| 1 | 775043 | 1 | 07/10/02 | \$5,593 | \$783 ¹ | \$6,376 | \$0 | \$6,376 |
| 2 | 774450 | 1 | 04/30/02 | \$4,149 | \$291 | \$4,440 | \$4,149 | \$291 |
| | Total | | | | | | | \$6,667 |

5. **GPO’s 7 Percent Surcharge Not Added to Customer Agencies’ Riders** – Central Office procurement personnel did not always add the 7 percent surcharge to the costs of the customer agencies’ riders on the requisition that was furnished to the Chief, Estimating & Jacket Preparation, for charging on the agencies’ credit cards on 2 procurements, contrary to GPO Publication 435.20. As a result, the amount circled on the customer agencies’ requisitions only contained the added rate costs of

¹ Jacket 775043 was a “Rush” procurement and the 7% surcharge was doubled to 14%.

the riders and did not include the 7 percent surcharge. Consequently, the Chief, Estimating & Jacket Preparation, processed the credit card charge on only the cost of the riders, and undercharged the customer agencies by \$1,895:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|-----|-----------------------|-----------------------------|-------------------|-----------------|-----------------------------|---------------------------|-----------------------------|----------------|-------------------------------|
| No. | Jacket/ PO Date | Award Price/ Quantity | Added Rate | Rider Copies | Rider Costs (#4 x #5) | 7% Charge (#6 x 7%) | Total Rider (#6 + #7) | GPO Charged | Under Charged (#8 - #9) |
| 1 | 482973 10/02/01 | \$43,995 62,000 | \$709.60 per M | 27,000 | \$19,160 | \$1,341 | \$20,501 | \$19,160 | \$1,341 |
| 2 | 482981 10/03/01 | \$53,017 67,000 | \$791.30 per M | 10,000 | \$7,913 | \$554 | \$8,467 | \$7,913 | \$554 |
| | Total | | | | | | | | \$1,895 |

6. **GPO's 7 Percent Surcharge and \$7.50 Base Charge Not Added** – New York RPPO procurement personnel did not add the 7 percent surcharge or the \$7.50 base charge on 1 of 7 procurements that were awarded with riders from October 1, 2001, through August 31, 2002. As a result, New York RPPO personnel undercharged the customer agency by \$32, contrary to GPO Publication 435.20:

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|-----|------------------------|----------------|----------------|---------------------------|--------------------------|------------------------------|-----------------|-------------------------------|
| No. | Jacket /PO Date | Award Price | Rider Costs | Net Costs (#3 - #4) | 7% + \$7.50 Charge | Agency Costs (#5 + #6) | RPPO Charged | Under Charged (#7 - #8) |
| 1 | 710724 02/26/0 2 | \$1,255 | \$924 | \$331 | \$31 | \$362 | \$330 | \$32 |
| | Total | | | | | | | \$32 |

RECOMMENDATIONS

The Manager, Printing Procurement Department, and the Comptroller should:

- Review and update the proposed draft GPO Instruction 440.12 *Processing Printing and Binding Credit Card Payments* and take the necessary steps for the immediate approval and distribution of the Instruction (0302-01); and
- Consider transferring the responsibilities of recording credit card charges from the RPPOs to the Comptroller (0302-02).

The Manager, Printing Procurement Department, should ensure that:

- Future rider costs are not included in the credit card charges to customer agencies (0302-03);
- A determination be made on whether to return the overcharges of \$1,575 to the

- customer agencies on the 13 procurements² (0302-04);
- Written formulas are developed and implemented on the calculation of the procurement costs charged to customer agencies when riders are included in the procurements (0302-05);
- Future credit card charges are correctly calculated on customer agencies (0302-06);
- Written procedures are developed and implemented on the correct charging of the \$7.50 base charge on future printing procurements, including strapped jackets (0302-07);
- A determination be made on whether to charge the undercharges of \$8,594 to the customer agencies on the 5 procurements³ (0302-08);
- Future costs on contract modifications are accurately charged and timely on customer agencies' credit cards (0302-09);
- The 7 percent surcharge is added to the costs of future contract modification prices on the customer agencies' credit cards (0302-10); and
- The 7 percent surcharge and the \$7.50 base charges are always added to the costs of future procurements on the customer agencies' credit cards (0302-11).

MANAGEMENT COMMENTS

The Comptroller and the Manager, Printing Procurement Department, agreed with the finding and the recommendations. (See Appendices IV and V.)

2. PROCESSING CREDIT CARD CHARGES TIMELY AND WITHIN LIMITS

FINDING

The OIG audit found that procurement personnel were not always processing credit card charges timely or within the \$25,000 limit.

1. On 33 credit card charges, or 54 percent of the 61 procurements reviewed, procurement personnel from Central Office and 7 RPPOs (Atlanta, Boston, Chicago, Columbus, Denver, New York, and San Francisco) were not always processing customer agencies' credit card charges timely on printing procurements. (See Appendix II.) The processing of the 33 credit card charges ranged from 6 – 182 calendar days, with an overall average of 35 calendar days, contrary to Standard 7 of GPO Instruction 825.18A and Paragraph 4.a. of the draft GPO Instruction 440.12

² On November 8, 2002, the San Francisco Manager "credited" \$7.50 to the customer agency's credit card for Jacket 785089.

³ On September 12, 2002, the OIG auditor requested the credit card receipt for Jacket 775043. When replying to the request, Denver RPPO personnel realized that the credit card was never charged. On October 15, 2002, over 5 months after the contract modification was signed, Denver RPPO personnel processed the customer agency's credit card for \$6,376 (\$5,593 + 14% "Rush" surcharge).

that states:

“(3) Enter the bid amount or estimated cost of the job into PICS.

(4) Set the firm estimate indicator to “Yes” if the entered amount can be charged to the credit card immediately...Most one-time bids and small purchases, as well as many GPO placed orders, will be handled in this manner. Anytime a customer requests that their card be billed immediately, it will be handled using this indicator. On orders where it is impossible to provide a reasonable estimate, this indicator may be set to “No” and the card will then be charged by the Comptroller after the contractor has submitted an invoice and the invoice has been certified for payment.”

While RPPO personnel in Atlanta, Boston, Columbus, Denver, and New York⁴ did not always process the credit card charges timely, the Chicago and San Francisco personnel admitted to waiting until after the final shipment by the contractor before processing the charges for a more accurate charge. By not processing credit card charges timely, GPO did not always: (1) effect a rapid collection of funds (\$139,554 from the 33 charges); (2) prevent problems with expired cards or cards where the credit limit had been exceeded; and (3) provide Government agencies with a timely charge for reconciling purposes.

2. From October 1, 2002, through August 31, 2002, only the Atlanta RPPO personnel accepted a customer agency’s credit card for a printing and binding procurement that exceeded the \$25,000 limit. Jacket 733703 was awarded for \$64,000 on May 2, 2002, of which \$22,207.50 was for the costs of riders. The customer agency’s credit card was accepted for printing and binding costs of \$44,726⁵ (\$64,000 - \$22,207.50 = \$41,792.50 + \$2,925.48 [7% surcharge] + \$7.50 base charge), contrary to Paragraph 3 of the proposed draft GPO Instruction 440.12 that states:

“Credit cards are an acceptable form of payment for individual printing and binding jobs estimated to cost \$25,000 or less...For jobs estimated to cost more than \$25,000, agencies will be required to use the Department of the Treasury’s electronic funds transfer system, Online Processing and Collecting (OPAC), a deposit account, or a check (if they are a non-OPAC agency), to pay the GPO.”

⁴ A New York printing specialist tried to charge \$2,912 to the customer agency’s credit card on May 29, 2002, for Jacket 711098. However, the charge was declined, because the \$2,912 was over the \$2,500 ceiling limit of the customer agency’s credit card. Instead of taking an alternative action, the printing specialist did nothing. As a result, GPO did not collect the funds from the customer agency until 6 months after the purchase order date.

⁵ Atlanta RPPO received special authorization from the customer agency. The customer agency called the bank to let the bank know that Atlanta would be calling to get authorization to process a charge over the \$25,000 limit. The customer agency gave the bank the specific dollar amount. Once Atlanta was notified by the customer agency that the bank had been called, Atlanta called and gave the bank the dollar amount and the bank gave Atlanta an authorization number. Atlanta then processed the credit card charge.

Because the GPO Instruction is still a draft, the Atlanta Manager was not aware of the dollar limitations that were proposed on accepting customer agencies' credit cards or had any current guidelines to follow.

RECOMMENDATIONS

The Manager, Printing Procurement Department, should ensure that:

- All RPPO and Central Office managers process future credit card charges within 5 calendar days after the award of the procurement (0302-12);
- Written procedures are developed and implemented on forbidding the splitting of printing and binding procurements so that the customer agencies can be under the credit card ceiling limits (0302-13); and
- Written procedures are developed and implemented on the dollar limitations for accepting credit cards from customer agencies on future printing and binding jobs (0302-14).

MANAGEMENT COMMENTS

The Manager, Printing Procurement Department, agreed with the finding and the three recommendations. (See Appendix IV.)

3. ENTERING PICS DATA

FINDING

From October 1, 2002, through August 31, 2002, procurement personnel from four RPPOs (Chicago, Denver, Los Angeles, and New York) entered inaccurate procurement data on riders in the Procurement Information and Control System (PICS) on five procurements, contrary to Standard 7 of GPO Instruction 825.18A:

- On three procurements (710273, 746493, and 778803) procurement personnel from New York, Chicago, and Los Angeles entered a "Y" (YES) in PICS for riders; however, no riders were entered or identified on the purchase orders;
- On another procurement (612078), New York entered a "Y" in PICS for riders. However, no riders were entered, but the purchase order identified 375 copies for riders (360 for SuDocs Depository Library and 15 copies for the Library of Congress); and
- On another procurement (774534), Denver entered the incorrect amount of copies for the riders in PICS (1 copy for Library of Congress and 15 copies for the Depository Library). The correct copies should be 15 for the Library of Congress

and 1 for the Depository Library.

As a result, the inaccuracies in PICS could have misled the Comptroller personnel to charge the costs of the riders to the wrong agencies. However, the Comptroller's Procurement Accounting Division did charge the SuDocs Depository Library and the Library of Congress correctly on Jackets 612078 and 774534.

RECOMMENDATION

The Manager, Printing Procurement Department, should ensure that future PICS entries on riders are entered accurately (0302-15).

MANAGEMENT COMMENTS

The Manager, Printing Procurement Department, agreed with the finding and the recommendation. (See Appendix IV.)

4. MISCALCULATING RIDERS' BILLINGS

FINDING

The Comptroller's Procurement Accounting Division miscalculated the billings of: (1) 22 of 53 riders⁶ or 42 percent to the SuDocs Depository Library, by a total of \$5,036; and (2) and 10 of 51 riders⁷ or 20 percent to the Library of Congress, by a total of \$201 that were awarded from October 1, 2001, through August 31, 2002, contrary to Standard 7 of GPO Instruction 825.18A.

In particular, the OIG review found that the SuDocs Depository Library was: (1) overcharged a total of \$134 on 14 billings; (2) undercharged a total of \$1,373 on 6 billings; and (3) not charged a total of \$3,529 on 2 other billings. In addition, the OIG review found that the Library of Congress was: (1) overcharged a total of \$38 on 10 billings; (2) undercharged a total of \$68 on 7 billings; and (3) not charged \$95 on another billing. (See Appendix III.)

1. SuDocs Depository Library Overcharged – The OIG identified 14 of 53 riders or

⁶ The OIG's initial review of 61 procurements found 56 procurements had riders with SuDocs Depository Library, the Library of Congress and SuDocs Sales Program. The Comptroller is responsible for processing the billing of riders accurately. As of December 1, 2002, 53 of 56 riders had been processed. Three riders had yet to be billed and were not included in the OIG review.

⁷ As of December 1, 2002, 51 of 56 riders had been processed. Five riders had yet to be billed and were not included in the OIG review.

26 percent in which Comptroller personnel overcharged the SuDocs Depository Library by \$134. On 13 of the 14 riders, Comptroller personnel miscalculated the billings to the SuDocs Depository Library by \$1 - \$21. The 14th rider (Jacket 675930) showed that when the added rate (\$74.20 per 100) was multiplied by the total number of copies (1,090), the total costs (\$809) exceeded the original award price of \$742 by \$67 (\$809 - \$742). When this occurs, Comptroller personnel usually use the 75 percent formula to ensure the makeready costs are not included in the rider costs. The OIG auditor applied the 75 percent formula and found that the Comptroller personnel overcharged SuDocs by \$21 (\$226 - \$205).

2. **SuDocs Depository Library Undercharged** – The OIG identified 6 of 53 riders or 11 percent in which Comptroller personnel undercharged the SuDocs Depository Library by \$1,373. On 5 of the 6 riders, the added rate when multiplied by the total number of copies was less than the award price. On 2 of the 5 riders (774624 and 775043), Comptroller personnel miscalculated the billings to the SuDocs Depository Library by \$1 - \$9. The other 3 riders (765572, 774111, and 775043) Comptroller personnel used a formula other than the 75 percent formula to arrive at the undercharges that ranged from \$62 - \$713. The 6th rider (Jacket 746310) showed that when the added rate (\$4.60 each) was multiplied to the total number of copies (690), the total costs (\$3,174) exceeded the original award price of \$1,417 by \$1,757 (\$3,174 - \$1,417). When this occurs, Comptroller personnel usually use the 75 percent formula to ensure the makeready costs are not included in the rider costs. The OIG auditor applied the 75 percent formula and found that the Comptroller personnel undercharged SuDocs by \$434 (\$619 - \$185).

When Comptroller personnel use the 75 percent formula or any other formula to calculate the SuDocs Depository Library's rider costs, GPO does not receive the full 7 percent surcharge on the award price as authorized by GPO Publication 435.20. For example, on 2 jackets (765572 and 775043), Comptroller personnel did not add the 7 percent surcharge of \$154 and \$713 respectively, but only charged the base rate. On another jacket (774111), Comptroller personnel only charged \$1 instead of the full 7 percent surcharge of \$63.

3. **SuDocs Depository Library Not Charged** – The OIG identified another 2 riders in which Comptroller personnel did not charge the SuDocs Depository Library \$3,529. On January 18, 2002, Comptroller personnel mistakenly charged Jacket 700392 \$1,189 to the SuDocs Sales Program, which is funded from GPO's revolving fund, instead of to SuDocs Depository Library, from which the funds are appropriated.
4. **Library of Congress Overcharged** – The OIG identified 10 of 51 riders or 20 percent in which Comptroller personnel overcharged the Library of Congress by \$38. On 9 of the 10 riders, Comptroller personnel miscalculated the billings to the Library of Congress by \$1 - \$19. The 10th rider (Jacket 675930) showed that when the

added rate (\$74.20 per copy) was multiplied to the total number of copies (1,090), the total costs (\$809) exceeded the original award price of \$742 by \$67 (\$809 - \$742). When this occurs, Comptroller personnel usually use the 75 percent formula to ensure the makeready costs are not passed on to the rider costs. The OIG auditor applied the 75 percent formula and found that the Comptroller personnel overcharged SuDocs by \$1 (\$10 - \$9).

5. **Library of Congress Undercharged** – The OIG identified 7 of 51 riders or 14 percent, that Comptroller personnel undercharged the Library of Congress by \$68. On 6 of the 7 riders, the added rate when multiplied by the total number of copies was less than the award price.

The 1st rider (Jacket 746310) showed that when the added rate (\$4.60 each) was multiplied to the total number of copies (690), the total costs (\$3,174) exceeded the original award price of \$1,417 by \$1,757 (\$3,174 - \$1,417). When this occurs, Comptroller personnel usually use the 75 percent formula to ensure the makeready costs are not included in the rider costs. The OIG auditor applied the 75 percent formula and found that the Comptroller personnel undercharged the Library of Congress by \$17 (\$25 - \$8).

6. **Library of Congress Not Charged** – The OIG identified another rider (Jacket 711098), costing \$95, that Comptroller personnel did not charge the Library of Congress.

RECOMMENDATIONS

The Comptroller should ensure that the Assistant Comptroller, Procurement Accounting Division:

- Corrects the undercharging of \$1,373 for the 6 jackets to the SuDocs Depository Library (0302-16);
- Bills the SuDocs Depository Library \$3,529 for the copies from Jackets 700392 and 711098 (0302-17);
- Corrects the mistaken charge of \$1,189 for Jacket 700392 to the SuDocs Sales Program in GPO's revolving fund (0302-18);
- Always includes GPO's 7 percent surcharge on future billings to the SuDocs Depository Library (0302-19); and
- Bills the Library of Congress \$95 for the 15 copies of Jacket 711098 (0302-20).

MANAGEMENT COMMENTS

The Comptroller agreed with the finding and the five recommendations and has taken corrective action on the high-dollar billings. (See Appendix V.)

OTHER MATTERS DISCUSSED WITH MANAGEMENT

- From October 1, 2002, through August 31, 2002, only the RRC and the New Orleans Satellite RPPO did not consistently round up to the next dollar when charging the customer agencies' credit cards for 3 procurements and a contract modification. The other 9 RPPOs and Central Office rounded up.

| RPPO | Jacket | Actual Charge | Correct Charge |
|-------------|---------------|----------------------|-----------------------|
| RRC | 720669 | \$2,017.56 | \$2,018 |
| RRC | 721301 | \$4,187.95 | \$4,188 |
| New Orleans | 765572 | \$2,190.73 | \$2,191 |
| New Orleans | 765572 Mod 1 | \$256.80 | \$257 |

Inconsistency in the processing of customer agencies' credit cards can weaken the internal controls in the collection of funds from future credit cards.

CREDIT CARD CHARGES PROCESSED BY PROCUREMENT OFFICES
(10/01/01 – 08/31/02)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|-----|----------|--------|-------------|---------------------|---------------|------------------|-------------------------|--------------------------|
| No. | Office | Jacket | Award Price | Purchase Order Date | Delivery Date | GPO Charged Date | Calendar Days (#7 - #5) | GPO Charged ⁸ |
| 1 | Central | 470821 | \$17,721 | 08/22/02 | 09/30/02 | 09/26/02 | 35** | \$16,722 |
| 2 | Central | 482973 | \$43,995 | 10/02/01 | 10/31/01 | 10/05/01 | 3 | \$26,583 |
| 3 | Central | 482981 | \$53,017 | 10/03/01 | 11/09/01 | 10/05/01 | 2 | \$48,269 |
| 4 | Central | 489343 | \$4,007 | 08/09/02 | 09/18/01 | 09/26/02 | 48** | \$4,295 |
| 5 | New York | 612078 | \$824 | 10/03/01 | 11/21/01 | 10/04/01 | 1 | \$889 |
| 6 | Denver | 675615 | \$3,909 | 01/08/02 | 02/01/02 | 01/10/02 | 2 | \$4,187 |
| 7 | Denver | 675930 | \$742 | 10/17/01 | 11/09/01 | 10/18/01 | 1 | \$802 |
| 8 | Boston | 700392 | \$1,742 | 12/03/01 | 01/03/02 | 12/14/01 | 11** | \$658 |
| 9 | Boston | 700622 | \$6,189 | 02/14/02 | 03/22/02 | 03/04/02 | 18** | \$5,333 |
| 10 | Boston | 700737 | \$787 | 02/07/02 | 03/06/02 | 02/08/02 | 1 | \$483 |
| 11 | Boston | 700738 | \$1,010 | 02/07/02 | 03/06/02 | 02/08/02 | 1 | \$714 |
| 12 | Boston | 700739 | \$10,714 | 02/15/02 | 03/20/02 | 02/22/02 | 7** | \$9,715 |
| 13 | Boston | 700788 | \$685 | 02/13/02 | 03/13/02 | 02/22/02 | 9** | \$214 |
| 14 | Boston | 700975 | \$1,765 | 03/21/02 | 05/10/02 | 04/02/02 | 12** | \$1,180 |
| 15 | Boston | 701057 | \$2,989 | 04/23/02 | 05/13/02 | 04/30/02 | 7** | \$1,909 |
| 16 | Boston | 701524 | \$1,590 | 07/25/02 | 08/08/02 | 07/27/02 | 2 | \$907 |
| 17 | New York | 710255 | \$2,490 | 10/26/01 | 12/18/01 | 10/31/01 | 5 | \$1,843 |
| 18 | New York | 710273 | \$800 | 10/30/01 | 11/20/01 | 10/09/01 | 10** | \$864 |
| 19 | New York | 710519 | \$1,000 | 01/22/02 | 02/26/02 | 01/23/02 | 1 | \$794 |
| 20 | New York | 710724 | \$1,255 | 02/26/02 | 03/25/02 | 04/22/02 | 55** | \$330 |
| 21 | New York | 711079 | \$1,592 | 05/16/02 | 06/26/02 | 07/02/02 | 47** | \$1,276 |
| 22 | New York | 711098 | \$4,989 | 05/16/02 | 05/30/02 | 11/14/02 | 182** | \$2,912 |
| 23 | RRC | 720505 | \$1,680 | 07/15/02 | 08/01/02 | 07/15/02 | 0 | \$1,806 |
| 24 | RRC | 720669 | \$1,884 | 07/22/02 | 08/01/02 | 07/22/02 | 0 | \$2,018 |
| 25 | RRC | 721301 | \$4,174 | 08/20/02 | 08/29/02 | 08/20/02 | 0 | \$4,188 |
| 26 | Atlanta | 733703 | \$64,000 | 05/02/02 | 07/08/02 | 06/04/02 | 33** | \$44,726 |
| 27 | Chicago | 746310 | \$1,417 | 10/24/01 | 11/29/01 | 11/08/01 | 15** | \$1,524 |
| 28 | Chicago | 746493 | \$447 | 11/19/01 | 12/06/01 | 11/30/01 | 11** | \$486 |
| 29 | Chicago | 746686 | \$3,199 | 01/04/02 | 01/31/02 | 01/29/02 | 25** | \$2,788 |
| 30 | Chicago | 746797 | \$2,122 | 01/29/02 | 03/29/02 | 03/22/02 | 52** | \$1,918 |
| 31 | Chicago | 746868 | \$1,175 | 02/06/02 | 02/19/02 | 02/19/02 | 13** | \$1,041 |

⁸ The differences in what GPO charged in Column 9 to the award price in Column 4 can be attributed to the calculations of the rider costs, the \$7.50 base charges, and the 7 percent surcharge, as well as the miscalculations that were identified in Finding 1.

**CREDIT CARD CHARGES PROCESSED BY PROCUREMENT OFFICES
(10/01/01 – 08/31/02)**

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|-----|--------------|--------|-------------|---------------------|---------------|------------------|-------------------------|--------------------------|
| No. | Office | Jacket | Award Price | Purchase Order Date | Delivery Date | GPO Charged Date | Calendar Days (#7 - #5) | GPO Charged ⁸ |
| 32 | Chicago | 747023 | \$11,133 | 03/12/02 | 04/05/02 | 06/03/02 | 83** | \$11,663 |
| 33 | Chicago | 747024 | \$4,473 | 03/12/02 | 04/05/02 | 06/03/02 | 83** | \$4,683 |
| 34 | Chicago | 747025 | \$8,041 | 03/12/02 | 04/05/02 | 06/03/02 | 83** | \$8,469 |
| 35 | Chicago | 747162 | \$1,149 | 03/22/02 | 04/12/02 | 04/12/02 | 21** | \$784 |
| 36 | Chicago | 747720 | \$2,408 | 04/24/02 | 05/28/02 | 05/28/02 | 34** | \$1,316 |
| 37 | Chicago | 747486 | \$2,620 | 05/13/02 | 06/14/02 | 06/24/02 | 42** | \$2,703 |
| 38 | Chicago | 747789 | \$496 | 07/09/02 | 07/31/02 | 07/30/02 | 21** | \$517 |
| 39 | Chicago | 747883 | \$6,245 | 07/24/02 | 09/13/02 | 08/27/02 | 34** | \$5,717 |
| 40 | Chicago | 747931 | \$1,136 | 07/30/02 | 09/03/02 | 09/18/02 | 50** | \$902 |
| 41 | Columbus | 751018 | \$2,445 | 10/22/01 | 11/02/02 | 10/24/01 | 2 | \$1,915 |
| 42 | Columbus | 751088 | \$1,900 | 11/01/01 | 11/20/01 | 11/20/01 | 19** | \$998 |
| 43 | Columbus | 751967 | \$1,393 | 03/12/02 | 03/29/02 | 03/18/02 | 6** | \$448 |
| 44 | Columbus | 752017 | \$622 | 03/20/02 | 04/15/02 | 04/01/02 | 12** | \$668 |
| 45 | New Orleans | 765572 | \$4,575 | 04/18/02 | 05/13/02 | 04/18/02 | 0 | \$2,191 |
| 46 | New Orleans | 765947 | \$400 | 08/19/02 | 09/27/02 | 08/20/02 | 1 | \$343 |
| 47 | Denver | 773997 | \$850 | 01/09/02 | 01/25/02 | 01/10/02 | 1 | \$650 |
| 48 | Denver | 774037 | \$1,198 | 01/16/02 | 01/30/02 | 01/17/02 | 1 | \$1,281 |
| 49 | Denver | 774111 | \$2,096 | 01/28/02 | 02/21/02 | 01/29/02 | 1 | \$1,264 |
| 50 | Denver | 774450 | \$13,495 | 04/19/02 | 05/03/02 | 04/23/02 | 4 | \$11,428 |
| 51 | Denver | 774534 | \$628 | 04/05/02 | 04/29/02 | 04/11/02 | 6** | \$680 |
| 52 | Denver | 774545 | \$1,382 | 04/10/02 | 05/31/02 | 04/11/02 | 1 | \$1,458 |
| 53 | Denver | 774624 | \$722 | 04/22/02 | 05/10/02 | 04/23/02 | 1 | \$741 |
| 54 | Denver | 774762 | \$625 | 05/16/02 | 06/24/02 | 05/21/02 | 5 | \$643 |
| 55 | Denver | 774774 | \$600 | 05/10/02 | 06/05/02 | 05/14/02 | 4 | \$650 |
| 56 | Denver | 775043 | \$14,228 | 06/27/02 | 06/29/02 | 06/27/02 | 0 | \$4,210 |
| 57 | Denver | 775254 | \$434 | 08/05/02 | 08/22/02 | 07/31/02 | 0* | \$445 |
| 58 | Denver | 775255 | \$1,303 | 08/05/02 | 08/22/02 | 07/31/02 | 0* | \$1,320 |
| 59 | LA | 778803 | \$520 | 04/29/02 | 05/24/02 | 04/29/02 | 0 | \$564 |
| 60 | SF | 785089 | \$4,900 | 08/21/02 | 09/06/02 | 09/26/02 | 36** | \$1,543 |
| 61 | SF | 785090 | \$1,500 | 08/21/02 | 09/06/02 | 09/26/02 | 36** | \$554 |
| | Total | | | | | | | \$262,122 |

* Denver was experiencing problems with the recording of dates when credit card charges were processed in July and August 2002.

** Procurement personnel from Central Office and 7 RPPOs took an average of 35 calendar days to process 33 of 61 credit card charges, from 6 – 182 calendar days.

RIDERS BILLED BY COMPTROLLER AND CUSTOMER SERVICES
(10/01/01 – 08/31/02)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|-----|--------------------|--------------------|-------------------|----------------------------|--------------|-----------------------|-------------------------|-----------------------|-----------------|-----------------------|
| No. | Jacket No./PO Date | Award Price /Qty | Added Rate | Rider Agency | Rider Copies | Rider Costs (#4 x #6) | GPO Surcharge (#7 x 7%) | Total Costs (#7 + #8) | GPO Billed | Difference (#9 - #10) |
| 1 | 470821 08/22/02 | \$17,721 6,977 | \$215 Per C | Deposit Lib Lib of Cong | 962 15 | \$2,068.30 \$32.25 | \$144.78 \$2.26 | \$2,213.08 \$34.51 | Not Billed | N/A N/A |
| 2 | 482973 10/02/01 | \$43,995 62,000 | \$709.60 Per M | SBA | 27,000 | \$19,159.20 | \$1,341.14 | \$20,500.34 | \$19,160 | \$1,341@ |
| 3 | 482981 10/03/01 | \$53,017 67,000 | \$791.30 Per M | SBA | 10,000 | \$7,913.00 | \$553.91 | \$8,466.91 | \$7,913 | \$554@ |
| 4 | 489343 08/09/02 | \$4,007 5,016 | \$76 Per M | Deposit Lib Lib of Cong | 1 15 | \$0.08 \$1.14 | \$0.01 \$0.08 | \$0.08 \$1.22 | Not Billed | N/A N/A |
| 5 | 612078 10/03/01 | \$823.90 575 | \$141 Per C | Deposit Lib Lib of Cong | 360 15 | \$507.60 \$21.15 | \$35.53 \$1.48 | \$543.13 \$22.63 | \$544 \$23 | \$0 \$0 |
| 6 | 675615 01/08/02 | \$3,909 18,511 | \$109 Per M | Deposit Lib Lib of Cong | 496 15 | \$54.06 \$1.64 | \$3.78 \$0.11 | \$57.85 \$1.75 | \$60 \$2 | -\$2# \$0 |
| 7 | 675930 10/17/01 | \$742 1,090 | \$74.20 Per C | Deposit Lib Lib of Cong | 375 15 | \$191.46 \$7.66 | \$13.40 \$0.54 | \$204.86 \$8.19 | \$226 \$10 | -\$21# -\$1* |
| 8 | 700392 12/03/01 | \$1,742 1,005 | \$161 Per C | Deposit Lib Lib of Cong | 690 15 | \$1,110.90 \$24.15 | \$77.76 \$1.69 | \$1,188.66 \$25.84 | \$0 \$26 | \$1,189& \$0 |
| 9 | 700622 02/14/02 | \$6,189 635 | \$315 Per C | Deposit Lib Lib of Cong | 370 15 | \$1,165.50 \$47.25 | \$81.59 \$3.31 | \$1,247.09 \$50.56 | \$1,248 \$51 | \$0 \$0 |
| 10 | 700737 02/07/02 | \$787 635 | \$89 Per C | Deposit Lib Lib of Cong | 370 15 | \$329.30 \$13.35 | \$23.05 \$0.93 | \$352.35 \$14.28 | \$372 \$16 | -\$19# -\$1* |
| 11 | 700738 02/07/02 | \$1,010 635 | \$91 Per C | Deposit Lib Lib of Cong | 370 15 | \$336.70 \$13.65 | \$23.57 \$0.96 | \$360.27 \$14.61 | \$370 \$16 | -\$9# -\$1* |
| 12 | 700739 02/15/02 | \$10,714 785 | \$428 Per C | Deposit Lib Lib of Cong | 370 15 | \$1,583.60 \$64.20 | \$110.85 \$4.49 | \$1,694.45 \$68.69 | \$1,703 \$70 | -\$8# -\$1* |
| 13 | 700788 02/13/02 | \$685 535 | \$128 Per C | Deposit Lib Lib of Cong | 370 15 | \$473.60 \$19.20 | \$33.15 \$1.34 | \$506.75 \$20.54 | \$507 \$21 | \$0 \$0 |
| 14 | 700975 03/21/02 | \$1,765 785 | \$174 Per C | Deposit Lib Lib of Cong | 370 15 | \$643.80 \$26.10 | \$45.07 \$1.83 | \$688.87 \$27.93 | \$689 \$28 | \$0 \$0 |
| 15 | 701057 04/23/02 | \$2,989 635 | \$315 Per C | Deposit Lib Lib of Cong | 370 15 | \$1,165.50 \$47.25 | \$81.59 \$3.31 | \$1,247.09 \$50.56 | \$1,248 \$51 | \$0 \$0 |
| 16 | 701524 07/25/02 | \$1,590 635 | \$200 Per C | Deposit Lib Lib of Cong | 370 15 | \$740.00 \$30.00 | \$51.80 \$2.10 | \$791.80 \$32.10 | \$792 \$33 | \$0 \$0 |
| 17 | 710255 10/26/01 | \$2,490 590 | \$201 Per C | Deposit Lib Lib of Cong | 375 15 | \$753.75 \$30.15 | \$52.76 \$2.11 | \$806.51 \$32.26 | \$826 \$34 | -\$19# -\$1* |

RIDERS BILLED BY COMPTROLLER AND CUSTOMER SERVICES
(10/01/01 – 08/31/02)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|-----|--------------------|-------------------|------------------|---|------------------|---------------------------------------|-----------------------------------|---------------------------------------|------------------------------|-----------------------|
| No. | Jacket No./PO Date | Award Price /Qty | Added Rate | Agency | Rider Copies | Rider Costs (#4 x #6) | GPO Surcharge (#7 x 7%) | Total Costs (#7 + #8) | GPO Billed | Difference (#9 - #10) |
| 18 | 710273 10/30/01 | \$800 10,000 | \$75 Per M | None None | 0 0 | \$0.00 \$0.00 | \$0.00 \$0.00 | \$0.00 \$0.00 | \$0 \$0 | \$0 \$0 |
| 19 | 710519 01/22/02 | \$1,000 635 | \$69 Per C | Deposit Lib Lib of Cong | 370 15 | \$255.30 \$10.35 | \$17.87 \$0.72 | \$273.17 \$11.07 | \$274 \$12 | \$0 \$0 |
| 20 | 710724 02/26/02 | \$1,255 535 | \$240 Per C | Deposit Lib Lib of Cong | 370 15 | \$888.00 \$36.00 | \$62.16 \$2.52 | \$950.16 \$38.52 | \$951 \$39 | \$0 \$0 |
| 21 | 711079 05/16/02 | \$1,592 685 | \$1,058 Per M | Deposit Lib Lib of Cong | 370 15 | \$391.46 \$15.87 | \$27.40 \$1.11 | \$418.86 \$16.98 | \$419 \$17 | \$0 \$0 |
| 22 | 711098 05/16/02 | \$4,989 685 | \$591 Per C | Deposit Lib Lib of Cong | 370 15 | \$2,186.70 \$88.65 | \$153.07 \$6.21 | \$2,339.77 \$94.86 | \$0 \$0 | \$2,340& \$95\ |
| 23 | 720505 07/15/02 | \$1,680 2,046 | \$802 Per M | Deposit Lib Lib of Cong | 1 15 | \$0.80 \$12.03 | \$0.06 \$0.84 | \$0.86 \$12.87 | \$1 \$14 | \$0 -\$1* |
| 24 | 720669 07/22/02 | \$1,884 2,516 | \$364 Per M | Deposit Lib Lib of Cong | 1 15 | \$0.36 \$5.46 | \$0.03 \$0.38 | \$0.39 \$5.84 | \$1 \$10 | \$0 -\$4* |
| 25 | 721301 08/20/02 | \$4,174 1,107 | \$129 Per C | Deposit Lib Lib of Cong | 192 15 | \$247.68 \$19.35 | \$17.34 \$1.35 | \$265.02 \$20.70 | \$266 \$21 | \$0 \$0 |
| 26 | 733703 05/02/02 | \$64,000 2,000 | \$23.50 Each | Deposit Lib SuDocs Sale Lib of Cong | 630 300 15 | \$14,805.00 \$7,050.00 \$352.50 | \$1,036.35 \$493.50 \$24.68 | \$15,841.35 \$7,543.50 \$377.18 | \$15,842 \$7,544 \$378 | \$0 \$0 \$0 |
| 27 | 746310 10/24/01 | \$1,417 690 | \$4.60 Each | Deposit Lib Lib of Cong | 375 15 | \$577.58 \$23.10 | \$40.43 \$1.62 | \$618.01 \$24.72 | \$185 \$8 | \$434^ \$17+ |
| 28 | 746493 11/19/01 | \$447 12,000 | \$37.25 Per M | None None | 0 0 | \$0.00 \$0.00 | \$0.00 \$0.00 | \$0.00 \$0.00 | \$0 \$0 | \$0 \$0 |
| 29 | 746686 01/04/02 | \$3,199 1,398 | \$156 Per C | Deposit Lib Lib of Cong | 370 15 | \$577.20 \$23.40 | \$40.40 \$1.64 | \$617.60 \$25.04 | \$622 \$26 | -\$4# \$0 |
| 30 | 746797 01/29/02 | \$2,122 3,010 | \$66 Per C | Deposit Lib Lib of Cong | 495 15 | \$326.70 \$9.90 | \$22.87 \$0.69 | \$349.57 \$10.59 | \$350 \$11 | \$0 \$0 |
| 31 | 746868 02/06/02 | \$1,175 1,240 | \$87.50 Per C | Deposit Lib Lib of Cong | 225 15 | \$196.88 \$13.13 | \$13.78 \$0.92 | \$210.66 \$14.04 | \$211 \$15 | \$0 \$0 |
| 32 | 747023 03/12/02 | \$11,133 524 | \$1,505 Per C | Deposit Lib Lib of Cong | 1 15 | \$15.05 \$225.75 | \$1.05 \$15.80 | \$16.10 \$241.55 | \$18 \$261 | -\$1# -\$19* |
| 33 | 747024 03/12/02 | \$4,473 524 | \$605 Per C | Deposit Lib Lib of Cong | 1 15 | \$6.05 \$90.75 | \$0.42 \$6.35 | \$6.47 \$97.10 | \$7 \$91 | \$0 \$7+ |

RIDERS BILLED BY COMPTROLLER AND CUSTOMER SERVICES
(10/01/01 – 08/31/02)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|-----|--------------------|---------------------|------------------|----------------------------|--------------|-----------------------|-------------------------|-----------------------|-----------------|-----------------------|
| No. | Jacket No./PO Date | Award Price /Qty | Added Rate | Agency | Rider Copies | Rider Costs (#4 x #6) | GPO Surcharge (#7 x 7%) | Total Costs (#7 + #8) | GPO Billed | Difference (#9 - #10) |
| 34 | 747025 03/12/02 | \$8,041 724 | \$788 Per C | Deposit Lib Lib of Cong | 1 15 | \$7.88 \$118.20 | \$0.55 \$8.27 | \$8.43 \$126.47 | \$9 \$134 | \$0 -\$7* |
| 35 | 747162 03/22/02 | \$1,149 685 | \$110 Per C | Deposit Lib Lib of Cong | 370 15 | \$407.00 \$16.50 | \$28.49 \$1.16 | \$435.49 \$17.66 | \$436 \$18 | \$0 \$0 |
| 36 | 747270 04/24/02 | \$2,408 585 | \$308 Per C | Deposit Lib Lib of Cong | 370 15 | \$1,139.60 \$46.20 | \$79.77 \$3.23 | \$1,219.37 \$49.43 | \$1,227 \$50 | -\$7# \$0 |
| 37 | 747486 05/13/02 | \$2,620 10,506 | \$20 Per C | Deposit Lib Lib of Cong | 491 15 | \$98.20 \$3.00 | \$6.87 \$0.21 | \$105.07 \$3.21 | \$106 \$4 | \$0 \$0 |
| 38 | 747789 07/09/02 | \$495.97 5,505 | \$4.02 Per C | Deposit Lib Lib of Cong | 490 15 | \$19.70 \$0.60 | \$1.38 \$0.04 | \$21.08 \$0.65 | \$22 \$1 | \$0 \$0 |
| 39 | 747883 07/24/02 | \$6,245 887 | \$240 Per C | Deposit Lib Lib of Cong | 364 15 | \$873.60 \$36.00 | \$61.15 \$2.52 | \$934.75 \$38.52 | \$956 \$39 | -\$21# \$0 |
| 40 | 747931 07/30/02 | \$1,136 685 | \$78 Per C | Deposit Lib Lib of Cong | 370 15 | \$288.60 \$11.70 | \$20.20 \$0.82 | \$308.80 \$12.52 | \$309 \$13 | \$0 \$0 |
| 41 | 751018 10/22/01 | \$2,445 590 | \$170 Per C | Deposit Lib Lib of Cong | 375 15 | \$637.50 \$25.50 | \$44.63 \$1.79 | \$682.13 \$27.29 | \$683 \$28 | \$0 \$0 |
| 42 | 751088 11/01/01 | \$1,900 540 | \$250 Per C | Deposit Lib Lib of Cong | 375 15 | \$937.50 \$37.50 | \$65.63 \$2.63 | \$1,003.13 \$40.13 | \$1,004 \$41 | \$0 \$0 |
| 43 | 751967 03/12/02 | \$1,393.06 545 | \$255 Per C | Deposit Lib Lib of Cong | 370 15 | \$943.50 \$38.25 | \$66.05 \$2.68 | \$1,009.55 \$40.93 | \$1,010 \$41 | \$0 \$0 |
| 44 | 752017 03/20/02 | \$622 2,016 | \$29.75 Per C | Deposit Lib Lib of Cong | 1 15 | \$0.30 \$4.46 | \$0.02 \$0.31 | \$0.32 \$4.77 | \$1 \$5 | \$0 \$0 |
| 45 | 765572 04/18/02 | \$4,335 685 | \$596 Per C | Deposit Lib Lib of Cong | 370 15 | \$2,205.20 \$89.40 | \$154.36 \$6.26 | \$2,359.56 \$95.66 | \$2,206 \$90 | \$154^ \$6+ |
| 46 | 765947 08/19/02 | \$400 1,480 | \$180 Per M | Deposit Lib Lib of Cong | 465 15 | \$83.70 \$2.70 | \$5.86 \$0.19 | \$89.56 \$2.89 | Not Billed | N/A N/A |
| 47 | 773997 01/09/02 | \$850 1,085 | \$65 Per C | Deposit Lib Lib of Cong | 370 15 | \$240.50 \$9.75 | \$16.84 \$0.68 | \$257.34 \$10.43 | \$260 \$11 | -\$2# \$0 |
| 48 | 774037 01/16/02 | \$1,198 2,016 | \$49 Per C | Deposit Lib Lib of Cong | 1 15 | \$0.49 \$7.35 | \$0.03 \$0.51 | \$0.52 \$7.86 | \$1 \$10 | \$0 -\$2* |
| 49 | 774111 01/28/02 | \$2,096 1,315 | \$150 Per C | Deposit Lib Lib of Cong | 600 15 | \$900.00 \$22.50 | \$63.00 \$1.58 | \$963.00 \$24.08 | \$901 \$23 | \$62^ \$2+ |
| 50 | 774450 04/19/02 | \$13,495 160,230 | \$81 Per M | Deposit Lib Lib of Cong | 215 15 | \$17.42 \$1.22 | \$1.22 \$0.09 | \$18.63 \$1.30 | \$21 \$2 | -\$2# \$0 |

RIDERS BILLED BY COMPTROLLER AND CUSTOMER SERVICES
(10/01/01 – 08/31/02)

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
|-----|--------------------|---------------------|-------------------|----------------------------|--------------|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|
| No. | Jacket No./PO Date | Award Price /Qty | Added Rate | Agency | Rider Copies | Rider Costs (#4 x #6) | GPO Surcharge (#7 x 7%) | Total Costs (#7 + #8) | GPO Billed | Difference (#9 - #10) |
| 51 | 774534 04/05/02 | \$628.16 816 | \$76 Per C | Deposit Lib Lib of Cong | 1 15 | \$0.76 \$11.40 | \$0.05 \$0.80 | \$0.81 \$12.20 | \$1 \$10 | \$0 \$3+ |
| 52 | 774545 04/10/02 | \$1,382 416 | \$169.71 Per C | Deposit Lib Lib of Cong | 1 15 | \$1.70 \$25.46 | \$0.12 \$1.78 | \$1.82 \$27.24 | \$2 \$28 | \$0 \$0 |
| 53 | 774624 04/22/02 | \$722 8,445 | \$83 Per M | Deposit Lib Lib of Cong | 430 15 | \$35.69 \$1.25 | \$2.50 \$0.09 | \$38.19 \$1.33 | \$30 \$2 | \$9^ \$0 |
| 54 | 774762 05/16/02 | \$625 316 | \$197 Per C | Deposit Lib Lib of Cong | 1 15 | \$1.97 \$29.55 | \$0.14 \$2.07 | \$2.11 \$31.62 | \$2 \$25 | \$1^ \$7+ |
| 55 | 774774 05/10/02 | \$600 616 | \$97 Per C | Deposit Lib Lib of Cong | 1 15 | \$0.97 \$14.55 | \$0.07 \$1.02 | \$1.04 \$15.57 | \$2 \$16 | \$0 \$0 |
| 56 | 775043 06/27/02 | \$14,228.20 580 | \$24.53 Each | Deposit Lib Lib of Cong | 415 15 | \$10,179.95 \$367.95 | \$712.60 \$25.76 | \$10,892.55 \$393.71 | \$10,180 \$368 | \$713^ \$26+ |
| 57 | 775254 08/05/02 | \$434.25 2,876 | \$6.76 Per C | Deposit Lib Lib of Cong | 361 15 | \$24.40 \$1.01 | \$1.71 \$0.07 | \$26.11 \$1.08 | \$37 \$2 | -\$10# \$0 |
| 58 | 775255 08/05/02 | \$1,302.75 2,376 | \$20.30 Per C | Deposit Lib Lib of Cong | 361 15 | \$73.28 \$3.05 | \$5.13 \$0.21 | \$78.41 \$3.26 | \$87 \$4 | -\$9# \$0 |
| 59 | 778803 04/29/02 | \$520 1,200 | \$.43 Each | None None | 0 0 | \$0.00 \$0.00 | \$0.00 \$0.00 | \$0.00 \$0.00 | \$0 \$0 | \$0 \$0 |
| 60 | 785089 08/21/02 | \$4,900 670 | \$7 Each | Deposit Lib Lib of Cong | 480 15 | \$3,360.00 \$105.00 | \$235.20 \$7.35 | \$3,595.20 \$112.35 | \$3,596 Not Billed | \$0 N/A |
| 61 | 785090 08/21/02 | \$1,500 670 | \$2 Each | Deposit Lib Lib of Cong | 480 15 | \$960.00 \$30.00 | \$67.20 \$2.10 | \$1,027.20 \$32.10 | \$1,028 Not Billed | \$0 N/A |

@ - Central Office personnel did not add the 7 percent surcharge to the costs of the customer agencies' riders on two requisitions. As a result, the customer agencies were undercharged a total of \$1,895.

- The SuDocs Depository Library was overcharged a total of \$134 on 14 riders.

^ - The SuDocs Depository Library was undercharged a total of \$1,373 on six riders.

& - The SuDocs Depository Library was not charged a total of \$3,529 on two riders.

* - The Library of Congress was overcharged a total of \$38 on 10 riders.

+ - The Library of Congress was undercharged a total of \$68 on seven riders.

\ - The Library of Congress was not charged a total of \$95 on another rider.

MANAGER, PRINTING PROCUREMENT DEPARTMENT, COMMENTS

COMPTROLLER'S COMMENTS

